

**MINUTES of the SPECIAL MEETING**  
of the BOARD OF TRUSTEES of VICTORIA COLLEGE  
**January 11, 2016**

- |                     |                       |
|---------------------|-----------------------|
| √ Ronald B. Walker  | V. Bland Proctor      |
| Luis A. Guerra      | √ John A. Villafranca |
| √ Catherine McHaney | √ Michelle Yates      |
|                     | √ John Zacek          |

STAFF

- √ Dr. David Hinds
- √ Jennifer Yancey
- √ Mary Ann Rodriguez

MEDIA

- √ Carolina Astrain,  
Victoria Advocate

**Guests:** Dr. Larry Garrett, Dr. Ed Byerly, Dr. Betsy Crane, Dr. Pat Vandervoort, Dr. Florinda Correa, Keith Blundell, Tracey Bergstrom, Terri Kurtz, Dr. Bill Coons, Jerry Hamilton, Babette Lowe, Lydia Huber, Matt Wiley.

The Victoria College Board of Trustees met Monday, January 11, 2016 at 4:00 p.m. in the Corporate Training Room, Academic Building, Room 101. Mr. Ron Walker, Chair, presided over the meeting.

**A. Call to Order:**

1. Mr. Ron Walker called the meeting to order at 4:07 p.m. and announced that a quorum of board members was present
2. Dr. David Hinds certified that the agenda had been properly posted per Texas statute.

**B. Citizen Communication:**

1. The Public was invited to address the board. No public comments were heard during this time.

**C. Consider Board of Trustees Committee Reports:**

1. Facilities – 1.6.16  
Mr. Bland Proctor was not able to attend this meeting. Mr. Ron Walker reported on his behalf. Committee recommended to give Dr. Hinds to continue negotiations with UHV on land purchase.
2. Finance & Resources – 1.11.16  
Mr. John Villafranca reported that the financials were reviewed and accepted by the committee.

**D. Items for Consideration:**

1. **Administer Oath of Office to District 4, VC Board of Trustee appointment**

Ms. Jennifer Yancey administered the Oath of Office to District 4 to Mr. John Zacek. Afterwards, Mr. John Zacek thanked the board and expressed how very honored and appreciative he was for this opportunity.

2. **CONSIDER minutes of the November 16, 2015 Regular Board Meeting**

Ms. Catherine McHaney moved to accept minutes as presented, John Villafranca seconded the motion. Motion carried unanimously.

3. **CONSIDER minutes of the December 4, 2015 Personnel & Policy Committee Meeting**

Ms. Catherine McHaney moved to accept minutes as presented, John Villafranca seconded the motion. Motion carried unanimously.

4. **CONSIDER minutes of the December 9, 2015 Special Board Meeting**

Ms. Michelle Yates moved to accept minutes as presented, John Villafranca seconded the motion. Motion carried unanimously.

5. **EXECUTIVE SESSION:** Executive Session is called under authority of the Texas Open Meetings Act, and in accordance with the Texas Government Code, under Section 551.072 to deliberate the purchase, exchange, lease or value of real property.

Ron Walker called the Trustees and Vice-Presidents into Executive Session at 4:14 p.m. The session ended at 4:35 p.m. and the board was called back into Open Session.

6. **CONSIDER property request from UHV.**

Ron Walker stated that the board has given Dr. Hinds authority to continue negotiations with UHV on the sale or lease of no more than 3 acres.

7. **CONSIDER September and October 2015 Financial Statements**

Mr. Keith Blundell reported that the Finance & Resources committee had reviewed the financials in detail at the 3:30 pm meeting prior to the board meeting. He presented financial statements for September 20 and October 31, 2015.

Mr. Blundell discussed the Statement of Net Assets as compared to the same time last year, noting most are comparable. Two areas of note were the Due from Construction Fund and Construction in Progress in both sets of financials. The variance from 2014 is due to the progress and completion of the Emerging Technology Complex.

Mr. Blundell then reviewed the Statement of Revenue, Expenses and Net Assets for each of the funds (Unrestricted General, Federal Restricted, State Restricted, Local Restricted, Auxiliary, and Debt Service), Budget Adjustments and the Gonzales and ETC Construction Funds. He compared current year actual to 2014 actual and explained any differences. No substantial items were noted in either month. Ms. Catherine McHaney moved to accept the financial statements as presented, Mr. John Villafranca seconded the motion. Motion carried unanimously.

8. **CONSIDER Investment Report for First Quarter FY 2015-16**

Mr. Keith Blundell reported. Ms. Catherine McHaney moved to accept the investment report as presented, John Villafranca seconded the motion. Motion carried unanimously.

9. **CONSIDER Resolution approving investment policy and list of eligible brokers**

Mr. Keith Blundell reported. There were no changes in the policy. Only three brokers are required to be designated. In the past, VC has approved four. PainneWebber has asked to be removed. Ms. Catherine McHaney moved to approve the resolution and list of eligible brokers as presented, Ms. Michelle Yates seconded the motion. Mr. John Zacek abstained from voting because of his affiliation with Prosperity Bank. Motion carried unanimously by the rest of the board members present.

10. **CONSIDER Revision to the Unrestricted Net Assets Policy**

Keith Blundell provided the members with background information on recent financial reporting standards. With the implementation of GASB 68, the District is now required to book deferred

inflows and deferred outflows for the employees' pensions. This is the State's obligation, but must be shown on the institution's financials and has an impact on net position. (\$5.5 million net position less \$5.4 million). While this is for reporting purposes only, it should be considered when calculating minimum requirements for unrestricted net position. The College's net position target policy states the college will maintain 20% of base operations. Without the deferred entry, VC is currently at 21.72%.

Mr. Blundell proposed the following wording for the board policy, with the change noted in *italics*.

Unrestricted New Position

The target level for the unrestricted net position is 20% of the core expenditures. *Unrestricted net position is defined as the unrestricted net position per the annual financial report without the effect of any net pension assets or liabilities.* Core expenditures is defined as the approved annual operating budget reduced by:

Restricted expenditures

Auxiliary expenditures

Museum of the Coastal Bend expenditures

Debt service expenditures

Reserve for contingency

Mr. John Villafranca moved to accept the revision as presented, Mr. John Zacek seconded the motion. Motion carried unanimously.

11. **CONSIDER offers to purchase tax sale properties.**

Ms. Jennifer Yancey presented. Mr. Ron Walker abstained from discussion, as he has worked with the Linebarger Law offices on other cases in the past. Ms. Yancey reported that there were seven tax sale properties owned in trust by the Victoria County taxing authorities as a result of the property's failure to sell at a tax sale on the courthouse steps for the entire amount of delinquent taxes and costs owed. Upon approval, the properties will be sold and added back to the tax rolls. Our total actual due is \$5613, we will receive \$2413.

Ms. Catherine McHaney moved to accept offers as presented, Mr. John Villafranca seconded the motion. Motion carried unanimously, with the exception of Mr. Ron Walker.

12. **CONSIDER Purchase of Goods or Services:**

a. Multi-Function Device Rental – Ricoh USA

Dr. Hinds presented the pricing for 3-year multifunction device rental contract beginning February 1, 2016. Ricoh USA was \$16,000 under the other bids received.

Ms. Catherine McHaney moved to accept bids as presented, Ms. Michelle Yates seconded the motion. Motion carried unanimously.

**E. Vice President's Report:**

1. Fall 2015 Workforce & CE Enrollment Numbers. Jennifer Yancey, VP of College Advancement & External Affairs

Ms. Jennifer Yancey presented.

**F. President's Report:**

a. Campus Projects

b. Advancement Report

c. Campus Events and Dates

There being no further business, the meeting adjourned at 5:01 p.m.

---

Ron Walker, Chair

---

V. Bland Proctor, Secretary